

# **WaterSMART Grants: Water Marketing Strategy Grants**

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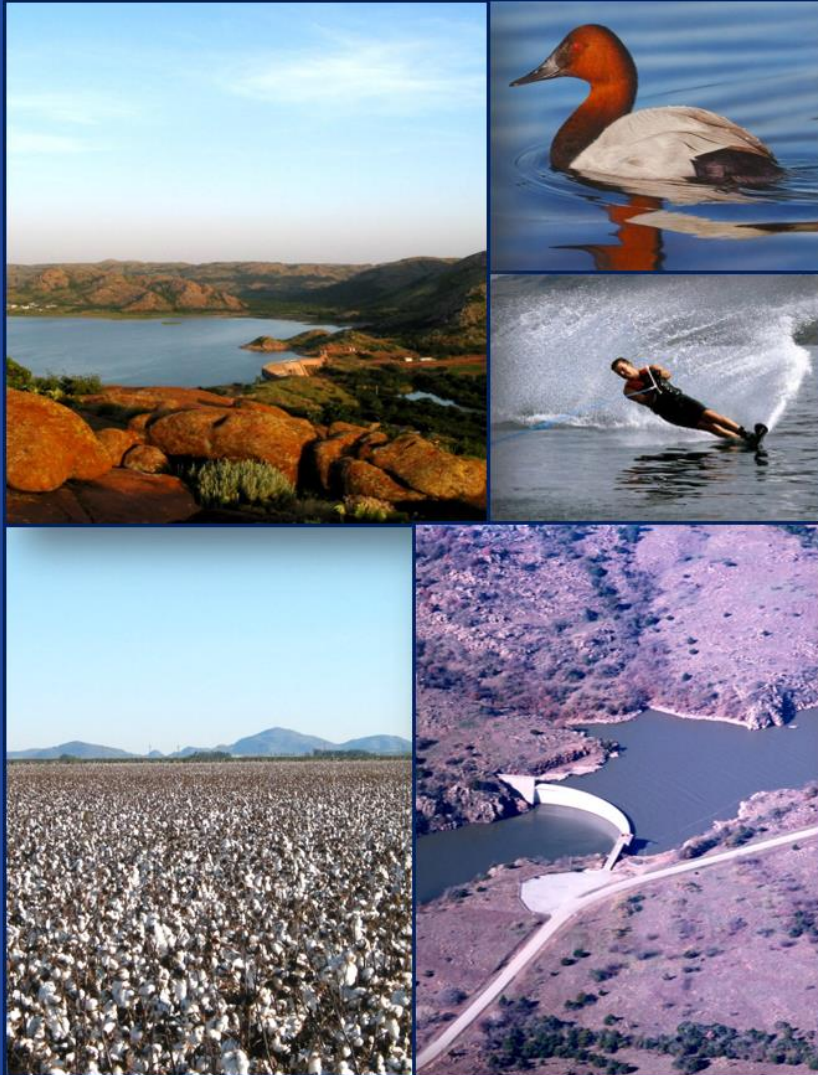
**Policy and Administration, Water Resources and Planning**

**October 29, 2018**

# Agenda Overview

- Introductions
- WaterSMART Program Overview
- Water Marketing Overview
- Eligible Applicants and Projects
- Required Project Components
- Water Marketing Strategy Document Requirements
- Evaluation Criteria
- Post Selection
- Data Visualization Tool

# WaterSMART Program - *Overview*

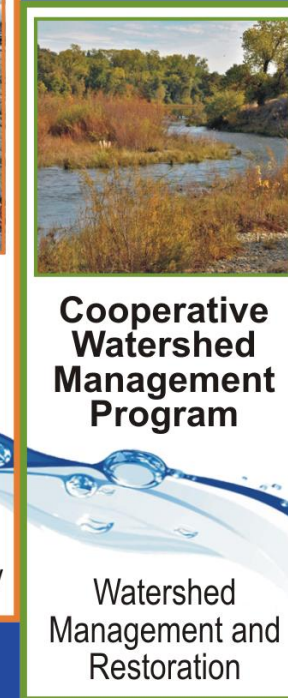
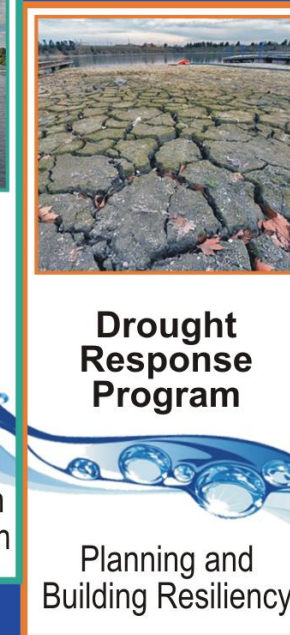
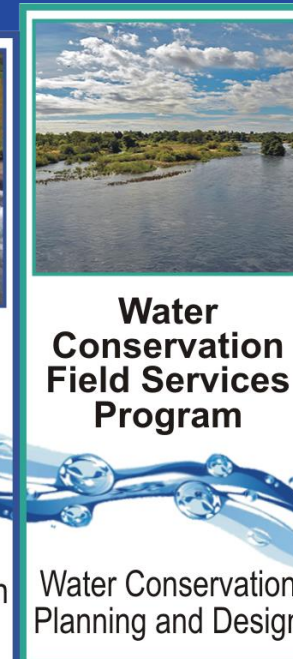
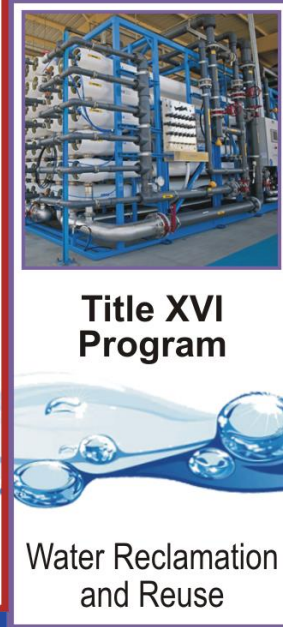
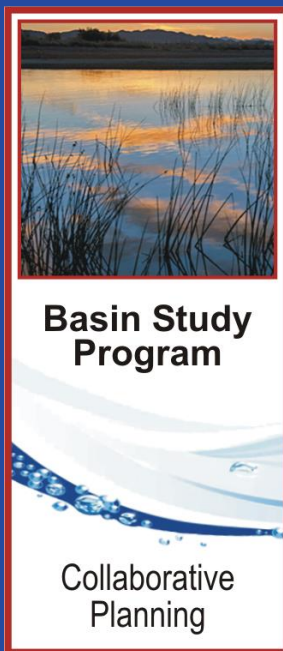


- Departmental initiative established in 2010
- Provides a framework for Interior to support water supply reliability for multiple water users
- WaterSMART supports Reclamation's mission through collaboration with stakeholders to improve water management, increase water reliability, and optimize limited supplies
- Authorized under section 9504 of the SECURE Water Act



# Reclamation's Mission

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.



# WaterSMART Program



Water and Energy  
Efficiency Grants



Small-Scale Water  
Efficiency Projects



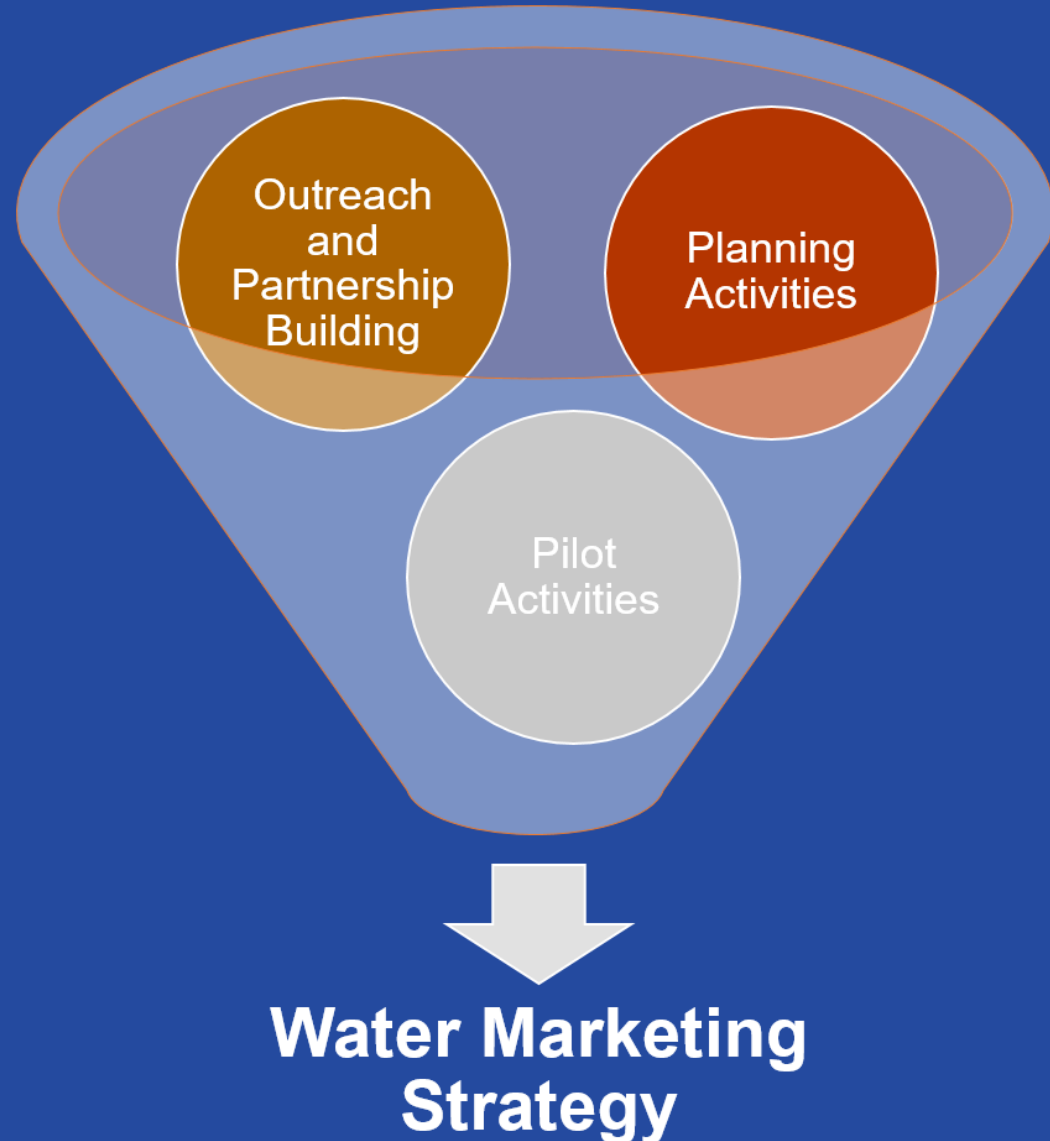
*Water Marketing  
Strategy Grants*

# Water Marketing Strategy Grants – *Overview*

- **Program Purpose:** Through WaterSMART Water Marketing Strategy Grants, Reclamation provides cost-shared financial assistance to states, tribes, and local governments to develop water marketing strategies to establish or expand water markets, or water marketing activities between willing participants
- **Projects Funded:** Collaborative planning efforts to develop water markets that will proactively address water supply reliability and increase water management flexibility. Pilot activities integral to the development of a strategy – e.g. the movement of water on a pilot basis in compliance with applicable laws – can also be included
- **Program Objective:** Water markets between willing buyers and sellers can be used to help water users meet demands efficiently in times of shortages, thereby helping prevent conflicts

# Water Marketing Strategy Grants – *Overview*

- A *water marketing strategy* is a framework for the implementation of water marketing and can include these 3 elements:



# Water Marketing Strategy Grants – *Project Eligibility*

## Eligible Applicants:

- States, Tribes, irrigation districts, water districts, or other organizations with water or power delivery authority

## Eligible Projects:

- Development of a water marketing strategy to establish or expand current water markets or water marketing activities

## Ineligible Applicants:

- Federal government entities
- Institutes of higher education
- Individuals
- 501(c)4 and 501(c)6 organizations

## Ineligible Projects:

- Other types of planning studies
- Construction activities
- Water conservation projects
- OM&R
- Title XVI Projects
- Water purchases
- Administrative construction costs
- On-farm improvement projects



# Water Marketing Strategy Grants – *Award Information*

## Funding Group I:

- Up to \$200,000 in Federal funds
- Completed within 2 years
- Smaller project scope
- Can be less complex
  - Few partners involved
  - Smaller geographic area
  - Builds on prior work

## Funding Group II:

- Up to \$400,000 in Federal funds
- Completed within 3 years
- Large project scope
  - More partners
  - Larger geographic area
  - More complex water markets

\*50% or greater non-Federal cost share is required regardless of Funding Group

# Water Marketing Strategy Grants – *Required Project Components*

- Development of a Water Marketing Strategy must include the following types of **eligible activities**:
  - Outreach and partnership building
  - Scoping and planning activities
  - Development of a water marketing strategy document
  - Pilot activities (optional)

# Water Marketing Strategy Grants – *Outreach and Partnership Building*

- Conducting outreach to potential partners, participants, and interested or affected stakeholders in the area through public meetings, webinars, notices, or other forms of communication and outreach
- Hosting workshops to gather information on the development of the water marketing strategy
- Providing a meaningful opportunity for stakeholders to provide input to the development of a strategy

# Water Marketing Strategy Grants – *Scoping and Planning Activities*

- Conducting financial or economic analyses to identify potential buyers and sellers, assess demands for the water market, and research the cost of implementing the water market
- Researching different water marketing approaches
- Analyzing water rights issues or legal requirements\*
- Quantifying water rights, consumptive use, diversions or return flows
- Conducting hydrologic or engineering studies related to water supply, use of infrastructure, or hydrologic impacts of water marketing
- Analysis of decision support tools\*



# Water Marketing Strategy Grants – *Development of a Water Marketing Strategy Document*

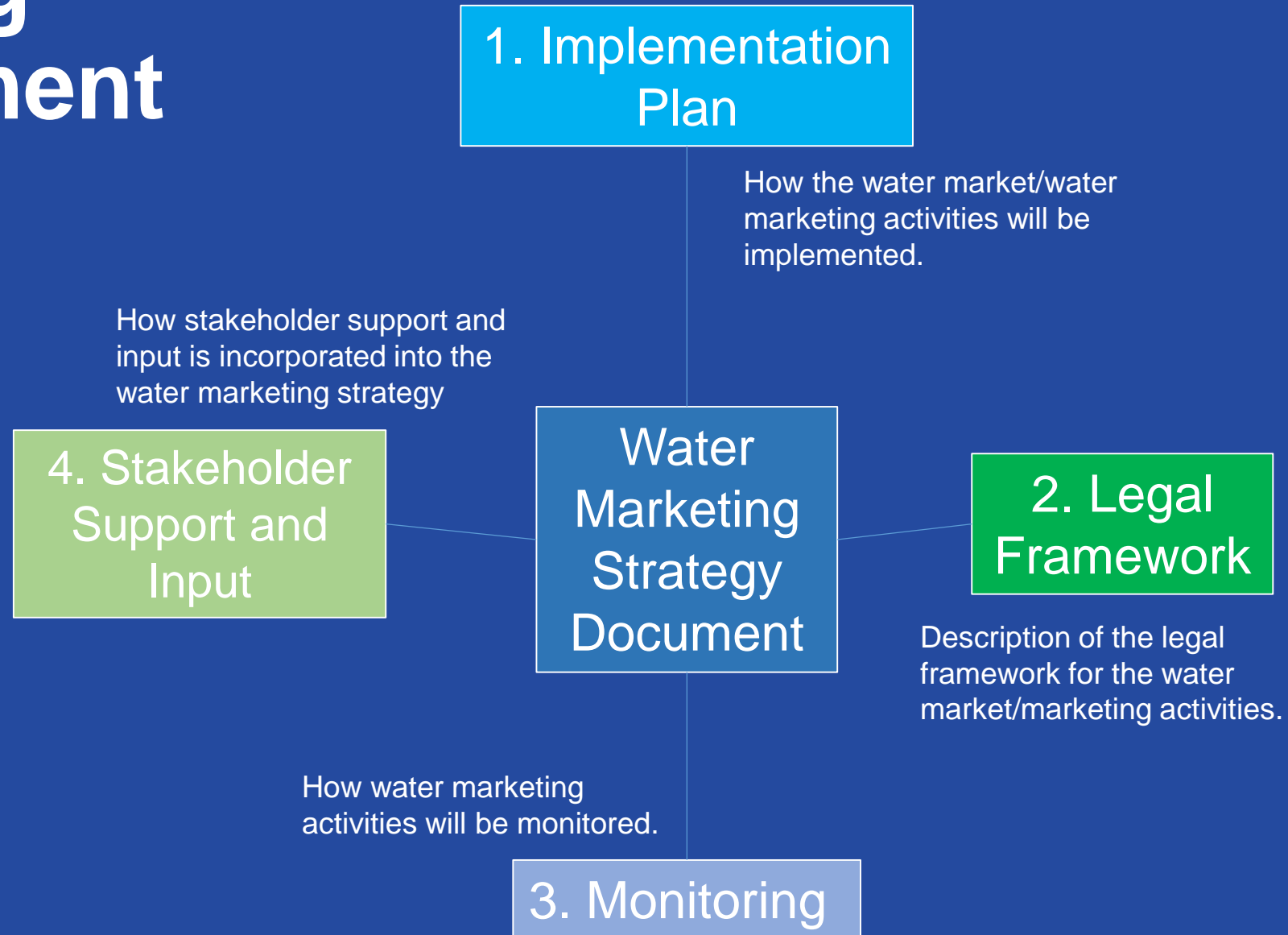
- A **water marketing strategy** is a written document that describes a proposed approach to establish or expand a new water market or water marketing activities based on the results of outreach and partnership building, planning and scoping activities, and any pilot activities
- A Water Marketing Strategy must address the required elements

# Water Marketing Strategy Grants – *Pilot Activities (optional)*

- Development of a Water Marketing Strategy may include associated pilot activities integral to the development of a strategy (e.g., the movement of water on a pilot basis in compliance with applicable laws)
- *Caution that this will trigger environmental compliance requirements*

# Water Marketing Strategy Document Requirements

- There are 4 required elements that must be included in the water marketing strategy document.



# EVALUATION CRITERIA

## *Evaluation Criterion D - Department of Interior Priorities (10 points)*

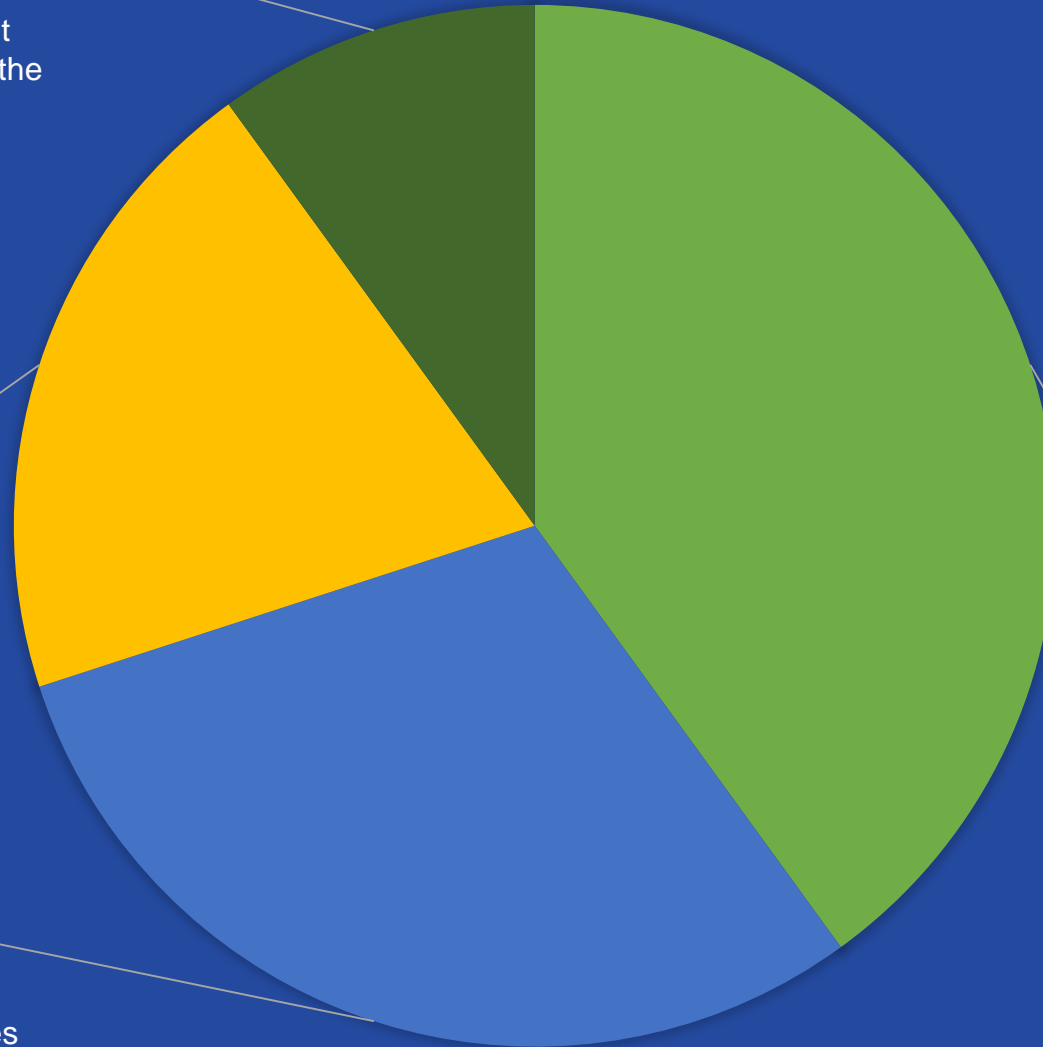
Scored based on the extent that the proposal supports the DOI priorities.

## *Criterion C - Ability to Meet Program Requirements (20 points)*

Scored based on the extent to which the proposal supports the applicants financial ability.

## *Criterion B - Level of Stakeholder Support and Involvement (30 points)*

Scored based on the extent to which the proposal demonstrates the strategy is supported by a diverse set of stakeholders.



- Applications will be evaluated against the evaluation criteria which comprise a total of 100 points
- **Evaluation criteria can change year to year, be sure to read the funding opportunity announcement**

## *Criterion A - Water Marketing Benefits (40 points)*

Scored based on the extent to which the proposed water marketing strategy will result in significant benefits to water supply reliability.

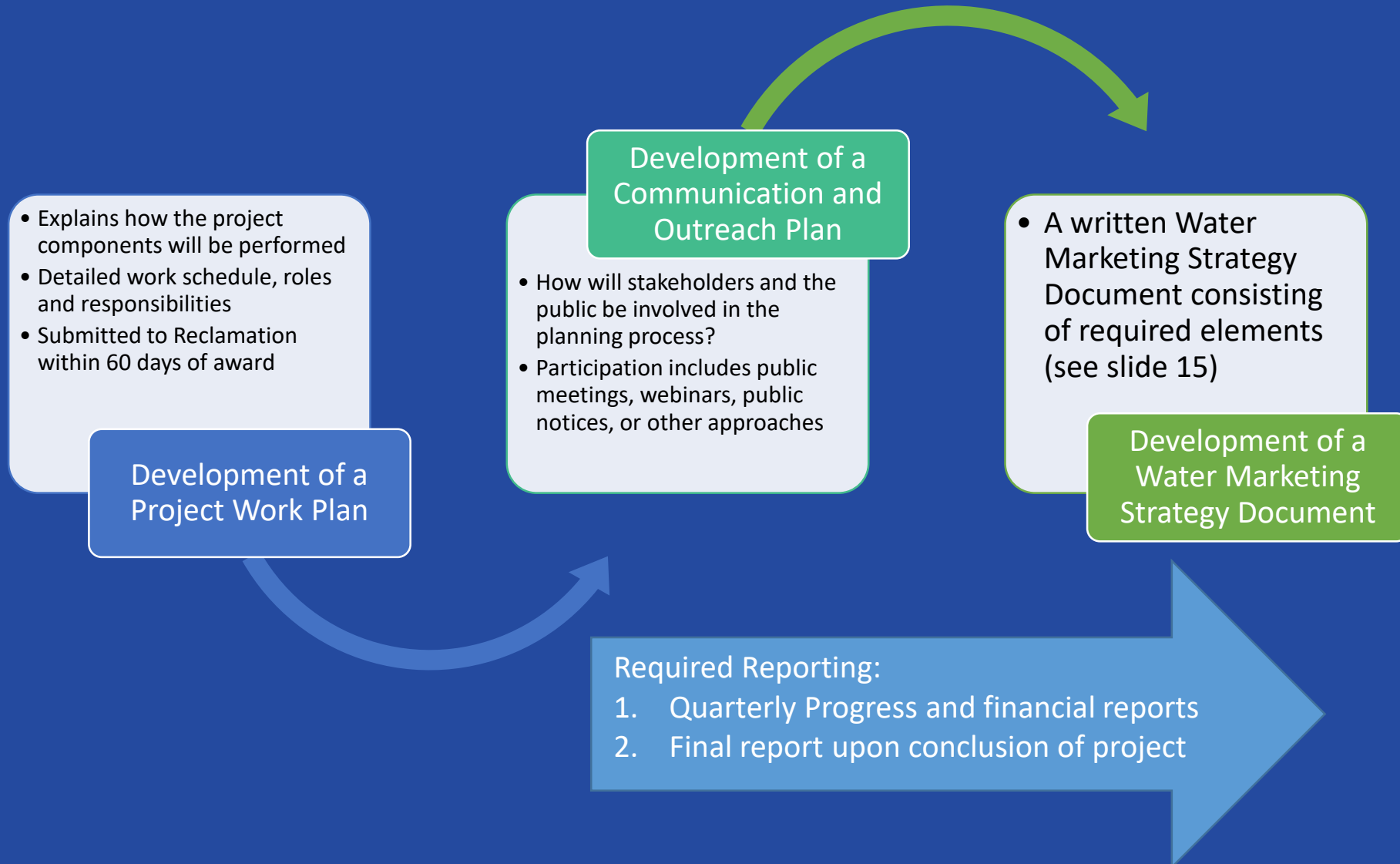


# Water Marketing Strategy Grants – *Post Selection*

*After the applicant is informed of being selected, Reclamation will enter into a financial assistance agreement:*

- The financial assistance agreement documents the milestones, project, and reporting requirements

# Water Marketing Strategy Grants – *Post Selection Project Requirements*



# **Water Marketing Strategy Grants – *FY2017***

## ***Project Examples***

### ***The New Cache La Poudre Irrigating Company, Inc., Colorado***

- Partnering with Ducks Unlimited to develop a water marketing strategy that facilitates the temporary transfers of agricultural water to meet the demands of municipalities, rural economic development, and wildlife habitat
- Emphasizes temporary water leases over permanent transfers to sustain Front Range agriculture while meeting other needs during shortages
- Multiple stakeholders and collaborators

# **Water Marketing Strategy Grants – *FY2017***

## ***Project Examples***

### ***Central Oregon Irrigation District, Redmond, Oregon***

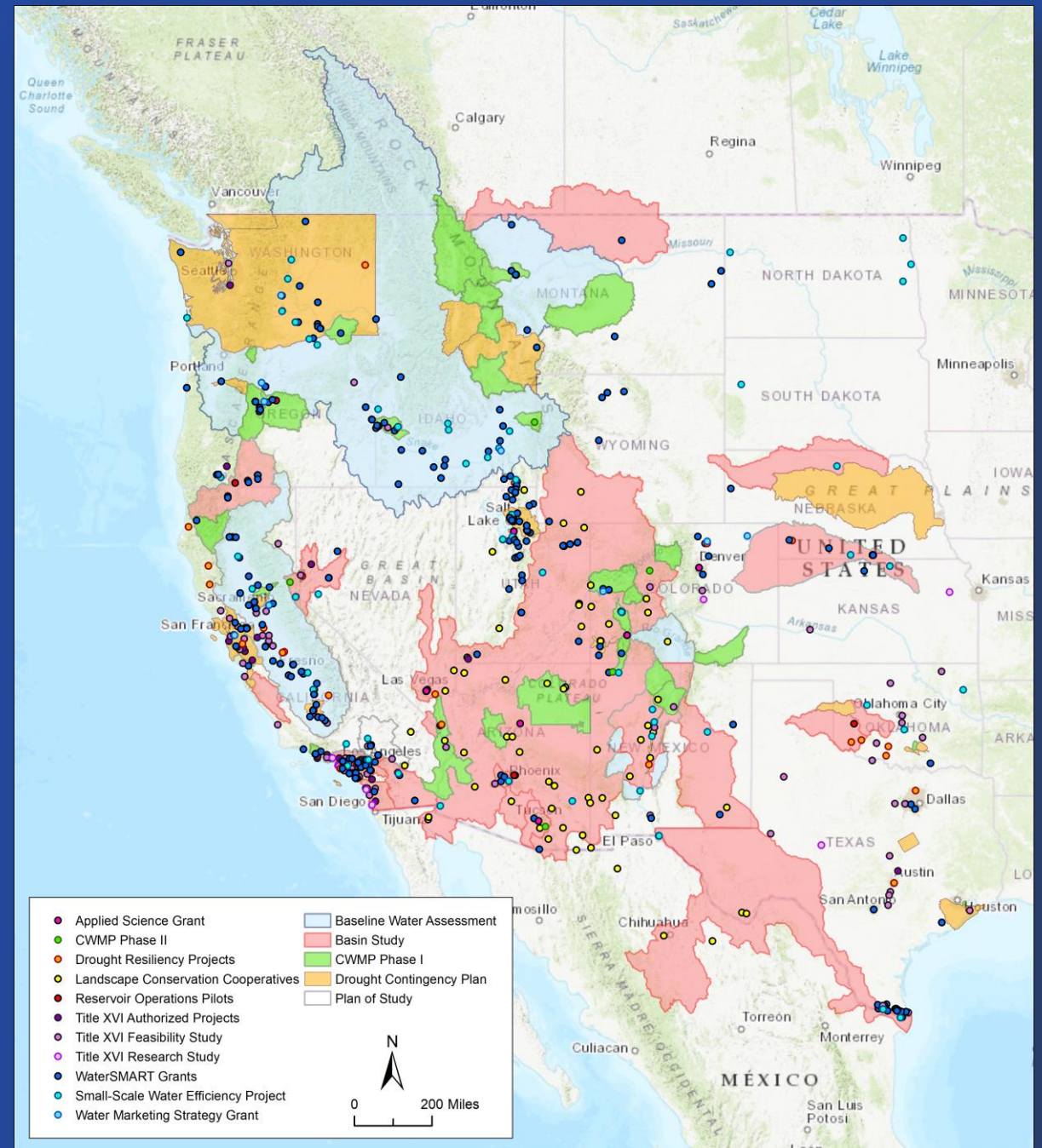
- Developing a water transaction program to facilitate the trading of water between irrigation districts and for environmental flows on the Deschutes River
- The Oregon Spotted Frog has accelerated the need to restore flows in the Deschutes River
- Increases the reliability for irrigators (especially Junior users), protects flows in the river, and meets the needs of both agricultural users and municipalities



# WaterSMART - *Data Visualization*

- Provides users with interactive maps of each WaterSMART Program and project
- Includes Featured Project tours
- Allows for data export
- Shows program growth since 2010
- Recently updated with new application features

[WaterSMART Data Visualization Tool](#)



# Water Marketing Strategy Grants - *Program Requirements Summary*

## Eligible Applicants

States, Tribes, irrigation districts, water districts, or other organizations with water or power delivery authority in the western United States.

## Funding Groups

Funding Group I: Up to \$200,000 for strategies completed within 2 years  
Funding Group II: up to \$400,000 for strategies completed within 3 years

## Cost Share

50% or more non-Federal cost-share is required.

## Required Project Components

1. Outreach and Partnership Building
2. Scoping and Planning Activities
3. Development of a Water Marketing Strategy
4. Pilot Activities (optional)

## Evaluation Criteria

Applications will be evaluated against the evaluation criteria which comprise a total of 100 points.

**FOA Deadline: FOA expected in January 2019**



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**RECLAMATION**  
*Managing Water in the West*